

## MEMORANDUM

TO: Mayor Craig Brown and Members of Council

CC: City Manager Office, Executive Leadership Team, City Attorney Office

FROM: Sally Bakko, Director of Policy and Governmental Relations

DATE: October 21, 2022

RE: Legislative Report: Austin and Washington Updates

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Please find below updates on legislative activities in Austin and Washington. *(To access links below, control+click on link.)*

### Austin Update

#### **TWIA Board Meets to Review 2023 Budget on November 2nd**

The TWIA Board of Directors will hold an interim meeting on Wednesday, November 2 at 10:00 a.m. CT to review preliminary information about the Association's 2023 budget. TWIA staff will preview the 2023 budget ahead of the Board's December 13 meeting in Corpus Christi. The Board is expected to approve the budget at the December meeting. Members of the public can submit written comments via email at [PublicComment@TWIA.org](mailto:PublicComment@TWIA.org). Interested parties are encouraged to submit comments by **noon on Monday, October 31**, to enable the Board to receive and review them before the November 2 meeting. [Click here](#) to register to attend the meeting via Zoom. After registering for the meeting, you will receive a confirmation email with details on how to join the meeting from your preferred device.

#### **Texas Joins Multi-State Investigation into Major Banks For Alleged Collusion Against Energy Industry**

Texas will join a multistate investigation into Bank of America Corporation, Wells Fargo & Company, Morgan Stanley & Co. LLC, JPMorgan Chase & Co., The Goldman Sachs Group, Inc., and Citigroup Inc. for potential violations of consumer protection laws. The investigation will focus on the above-listed financial institutions joining the Net-Zero Banking Alliance and alleged to have collectively agreed that each of their lending practices will reflect the target of net-zero greenhouse gas emissions by 2050, with interim targets in 2030, based on the Paris Agreement. According to Attorney General Ken Paxton, the effect of this accord would be to deprive companies engaged in fossil fuel-related activities of credit on national and international markets.

In 2021, the 87<sup>th</sup> Legislature passed SB 13 prohibiting state agencies or political subdivisions from entering into a qualifying contract with a value of \$100,000 or more for goods and services unless the contract contains a written verification from the contracted company that it does not and will not during the contract term boycott energy companies. That prohibition does not apply to a governmental entity that determines that the prohibition is inconsistent with its constitutional or statutory duties related to the issuance, incurrence, or management of debt obligations or the



deposit, custody, management, borrowing, or investment of funds. The bill authorizes the attorney general to bring any action necessary to enforce the prohibition on investment in companies that boycott energy companies. Further, the Comptroller is required prepare and maintain a list of all financial companies that boycott energy companies. In August, Texas Comptroller Glenn Hegar [released a list](#) and posted it on the Comptroller's website along with other [divestment lists](#) required by state law.

## **Texas Legislature – Interim Charge Committee Hearings**

### **Texas House Committee on Appropriations Hearing on October 26th**

The Committee will meet at 2:00 pm on Wednesday, October 26<sup>th</sup>, to hear invited testimony regarding the following:

- Update from the Broadband Development Office
- Update on the Unified Transportation Program
- Overview of select agency Legislative Appropriations Requests

## **Washington Update**

### **FEMA Implements an Alternative Cost-Effectiveness Method to Increase Program Accessibility for Communities for Two Hazard Mitigation Grants**

FEMA has announced an alternative cost-effectiveness methodology to help communities take greater advantage of assistance available through the [Flood Mitigation Assistance](#) and [Building Resilient Infrastructure and Communities](#) programs. For the fiscal year 2022 BRIC and Flood Mitigation Assistance application cycle, the agency is introducing an alternative cost-effectiveness method that will modify the threshold for mitigation projects to be considered cost-effective under limited conditions. By modifying the threshold for [Benefit-Cost Analysis](#) calculations, FEMA anticipates changing the cost-effectiveness requirements will lower barriers to access funding for these two grants. This will help the agency achieving equitable outcomes and align to its “people first” approach as identified in the [2022-2026 FEMA Strategic Plan](#).

If the BCA generated at a 7% discount rate is less than a Benefit-Cost Ratio of 1.0, FEMA will consider the project cost effective if:

- The BCA generated at the 7% discount rate is equal to or greater than a BCR of 0.75;
- The BCA generated at the 3% discount rate must be equal to or greater than a BCR of 1.0; and
- The mitigation activity benefits disadvantaged communities, addresses climate change impacts, has hard to quantify benefits, and/or is subject to higher costs due to the use of low carbon building materials or compliance with the [Federal Flood Risk Management Standard](#).

FEMA offers technical assistance to communities on the BCA. Assistance can be requested through the BCA helpline by emailing [BCHelpline@fema.dhs.gov](mailto:BCHelpline@fema.dhs.gov) or calling 855-540-6744.

Using money from the [Bipartisan Infrastructure Law](#), FEMA is increasing the federal cost share for the Flood Mitigation Assistance program from 75% to 90% for projects located in socially vulnerable communities to lower the financial burden on certain resilience activities. Interested applicants and subapplicants should contact their [Hazard Mitigation Officer](#) for more information. For more information visit [FEMA.gov](https://www.fema.gov).



## **Treasury Ramps Down COVID-19 Program Support**

Following a September 23 [letter](#) from the Deputy Secretary of the Treasury regarding constrained resources to support their administration of multiple COVID-19 relief programs, the department announced its contact center would no longer be able to respond to phone calls after October 17. To assist recipients, the department published a series of “self-service resources” across relief programs to answer commonly asked questions. These resources can be found for the [State and Local Fiscal Recovery Funds](#), [Capital Projects Fund](#), [Homeowner Assistance Fund](#), [Emergency Rental Assistance Program](#), [State Small Business Credit Initiative](#), and [Local Assistance and Tribal Consistency Fund](#). In the September letter, the Treasury Department indicates “it is working with Congress to repurpose funds to preserve their ability to provide support across programs”, but to date no legislation has been enacted.

## **US DOL Publishes Proposed Rule on Classifying Employees, Independent Contractors**

Last week the Department of Labor (DOL) [published](#) a [Notice of Proposed Rulemaking](#) (NPRM) to clarify whether a worker is an employee or an independent contractor under the Fair Labor Standards Act (FLSA). The proposed rule would align the department’s approach with courts’ FLSA interpretation and the economic reality test; restore the multifactor, totality-of-the-circumstances analysis to determine whether a worker is an employee or an independent contractor under the FLSA; ensure that all factors are analyzed without prioritization or weighting of factors; and rescind the 2021 Independent Contractor Rule. Comments on the proposed rule are due by November 28. Additional information can be found [here](#).

## **Grants QSMO Hosting Webinar on Assisting State and Local Governments**

The Grants Quality Service Management Office (QSMO) Innovation Exchange is [hosting](#) a webinar on October 24 at 11:00 am CT to hear from U.S. Digital Response on their insights for helping state and local governments comply with federal reporting requirements and demonstrate tools developed to address these challenges. Per the announcement, U.S. Digital Response has pioneered several free tools for state and local governments to streamline Grants Identification and Grant Reporting, particularly for complex federal grants like the State and Local Fiscal Recovery Funds. Recordings of previous innovation exchange sessions can be found [here](#).

## **NLC / US Conference of Mayors Sponsor “Local Infrastructure Hub” Website**

The National League of Cities, US Conference of Mayors and other groups are sponsoring The [Local Infrastructure Hub](#), a website designed to help city officials navigate the funding programs made available through the federal Infrastructure Investment and Jobs Act (IIJA).

- October 25, 2022 – Revolutionizing Transportation: The Strengthening Mobility and Revolutionizing Transportation (SMART) Program [webinar](#).

## **Reports of Interest**

[What the Housing Market Slowdown Will Mean for Property Taxes](#)

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